

# Risky Business: Fund Advances & Working Capital Advances



Bridging the Gap  
January 19, 2017

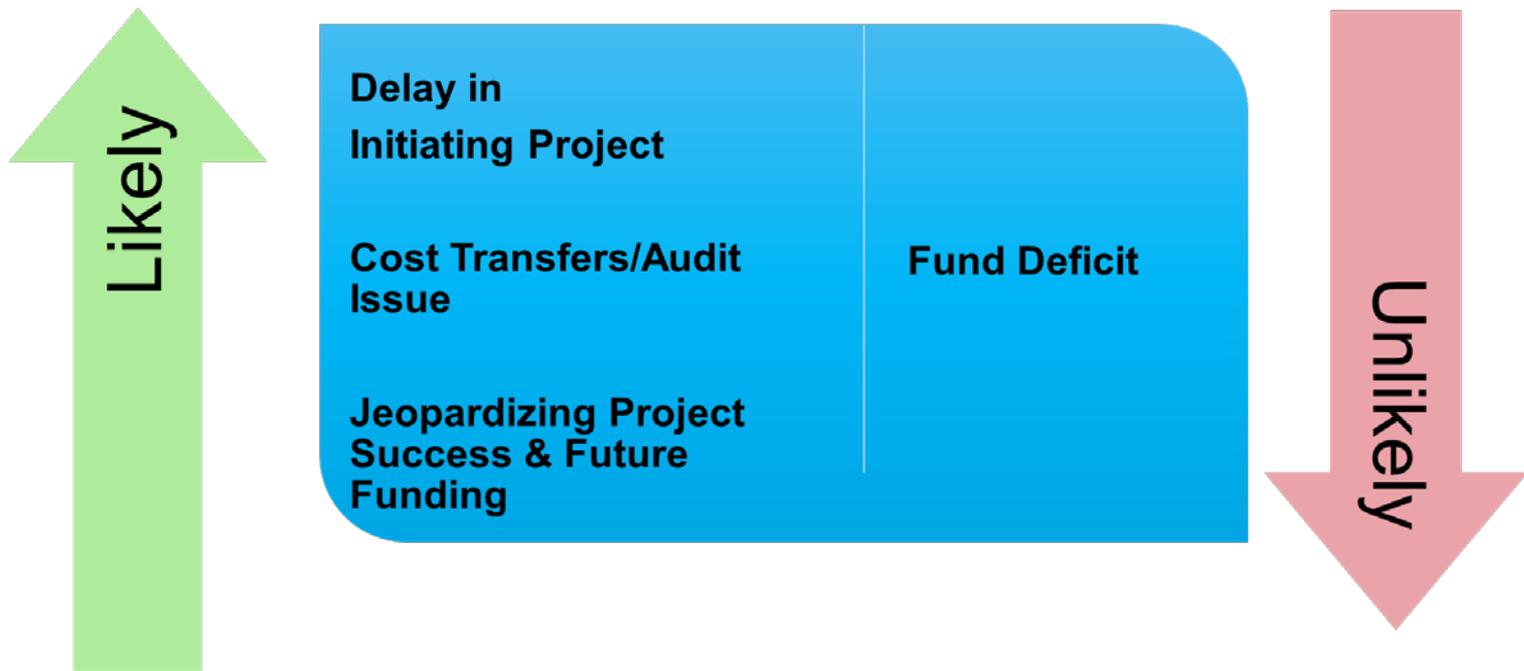
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# RISK CONSIDERATIONS

- What is the risk you want to manage?
- What is the likelihood that the risk will occur?
- Who is responsible for the outcome?

# Fund Advances

## Assessing the Risk



# Types of Fund Advances



## Type A.

For new (or competing continuation) awards not yet received from a federal sponsor. The federal sponsor must allow 90 calendar day pre-award costs and the award must be made directly to UCB.

What you need:

- The sponsor's intention to fund the project
- The start date for the new or competing continuation award
- The anticipated funding level of the award and
- The sponsor's policy regarding pre-award costs (unless Research Terms and Conditions (RTC) to address and implement the Uniform Administrative Requirements apply)
- Under this option the pre-award period is limited to one 90 calendar day period.

## Type B.

This type of Fund Advance may be used for all other awards.

What you need for Pending Awards—Award document not yet received

- A Fund Advance Request Form signed by the PI and the PI's Chair/Dean/Director.
- Written documentation from an authorized sponsor representative of the sponsor's intent to fund the project, funding level, start date, and the sponsor's policy on pre-award costs.

What you need for Delayed Awards—Award document received but award set up is delayed (e.g., beyond 45 calendar days)

- A Fund Advance Request Form signed by the PI and the PI's Chair/Dean/Director.

## Restrictions on Fund Advances

A Fund Advance **will not be possible** if it is clear that the effective start date of the project is tied to the date of final signature on the agreement. In such cases spending cannot begin until the award or contract is fully executed. This includes most State of California and UCOP awards.

A Fund Advance **is not necessary** in between project periods when the terms of the original award commit the sponsor to future years of support for specific funding amounts without the need for additional agency approval.

## Restrictions on Fund Advances

A Fund Advance **may be delayed** if the award includes any terms and conditions that conflict with Regental policy (e.g., publication or citizenship restrictions). A Fund Advance will not be processed by SPO until such issues are resolved.

Departments/units requesting a Fund Advance can identify an unrestricted Fund (i.e., 19900 or non-restricted gift Fund) as **a back-up Fund** should the pending or delayed award not be received as expected. This is at the department/unit's discretion.

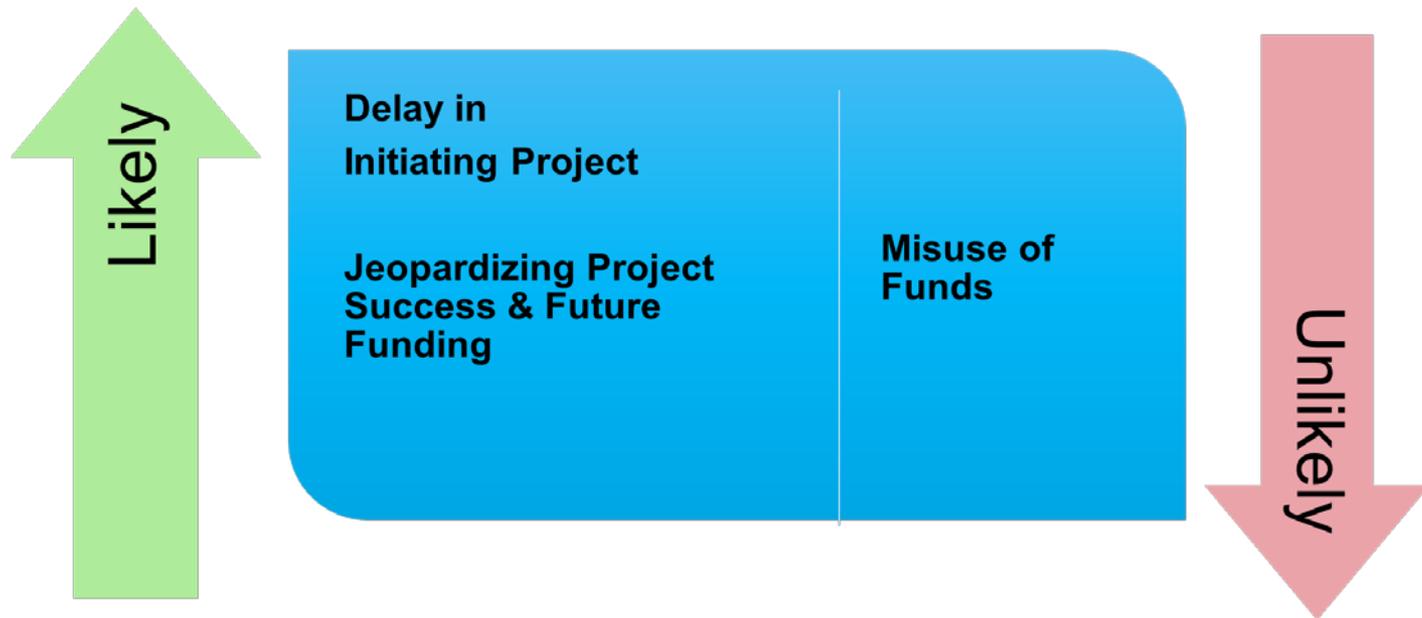
## Restrictions on Fund Advances

If a backup Fund is provided, **the authorized financial administrator** of the Fund/chart string must sign the Fund Advance Request Form certifying this commitment.

By signing off on a Type “B” Fund Advance Request the authorized financial administrator of the backup Fund is certifying that **the backup Fund listed is truly unrestricted and has sufficient** Funds to cover the requested pre-award expenditures

# WORKING CAPITAL ADVANCES

## Assessing the Risk



## CONDITIONS

The University **must have received a fully executed award** from the sponsor. No subagreement will be issued until the award supporting the subagreement has been processed by SPO.

**The subrecipient must be approved** by the sponsor. In most cases if the subrecipient was included by name in the proposal, and an award is made, the subrecipient is considered approved by the sponsor. SPO will notify the PI if additional sponsor approval is required

# REQUIREMENTS

At the proposal stage, the Authorized Official Representative (AOR) of the Subrecipient should indicate on the Subrecipient Commitment Form that the Subrecipient **will require a working capital advance** should the project be funded.

The Berkeley PI must submit a complete Subaward Request Form with all required attachments and indicate on the form that **a working capital advance is requested** for the Subrecipient.

Any Questions?



# Conflict of Interest Research Administration Process Improvement

Jyl Baldwin– University of California, Berkeley

## Improving Research Administration Initiative

### INTRODUCTION

The Research Administration Improvement Initiative was launched in Spring of 2016 to improve Berkeley's research support services by focusing on re-engineering existing research end-to-end processes, revamping the service delivery model to faculty and units, and improving the campus's organizational culture ... E2E

### BACKGROUND

To sustain our place as a world-leading research institution, and ensure we attract, obtain, and effectively execute research projects, we must improve our current research administration infrastructure.

### CASE FOR CHANGE

The campus has instances of excellent research support, but some significant challenges were identified. Key campus stakeholders shared in interviews that research support services have deteriorated due to misaligned organizational structures and processes. They expressed the need for a thorough review and assessment of the existing processes as well as complete re-vamping or improvement the current model for the service delivery

### COI PROJECT

Based on ideas already being considered by the COI Office and early discussion with the E2E Project Manager, "quick win" and "low cost" improvements to the COI review process were made ahead of the official E2E review start.

## COI Process Improvement Suggestions from the Faculty and Staff

### Early Start for Reviews

- PI requests review with "high score"
- PI requests review prior to JIT
- PI requests early review "just because"

### Annual Master Disclosure

- Annual disclosure of all interests
- Update for revised interests
- Ability to tag potentially related interests to projects

### Rolling approval for simple cases

- Administrative review opportunity for committee members to comment or object
- Issue approval letters within days if no objection
- Applies to all simple, uncomplicated, non-controversial interests, including all 700-U expedited and unchanged, unrelated PHS and NSF

## Determining Which Suggestions to Implement

### After review of the suggestions, the following ideas were implemented:

- Early start to review at request of PI for project, e.g., prior to JIT for NIH, when a program officer says "you got a high score" or anytime an investigator makes a request for early review.
- Rolling approval for simple cases: The COI office now does a weekly online review.
- Communication improvement: Creation of a new email address to contact the office. Always including the department research administrator on relevant emails so that they are in the know (unless PI objects!)

### After review of the suggestions, the following ideas are in process:

- Streamlined forms: One form has been eliminated and others are being combined so that there are fewer forms for the faculty to submit.
- Using existing Phoebe system for PHS and NSF disclosures as part of a collaboration process between the COI Office and the Research Administration and Compliance Information Systems team.
- Seeking approval from State of California for electronic signature on the State of California 700-U.

## Implementation Spotlight: Expedited Review

The expedited review of simple cases has been a success since implementation. This new process allows the COI office to prepare and distribute rolling approval letters on a weekly, which means that funds will be available to the majority of investigators earlier than is presently the case. It also leaves the monthly in-person meetings for the truly gnarly cases!

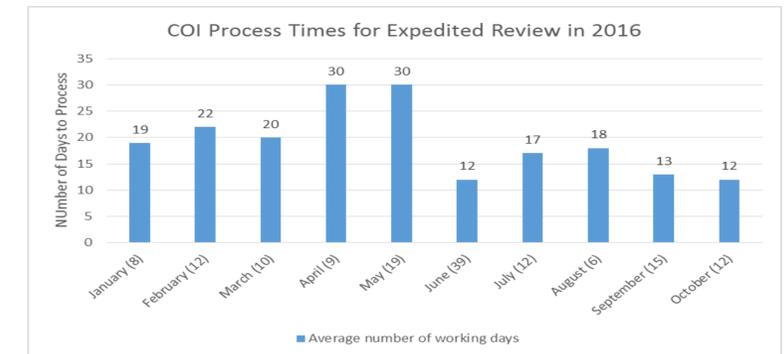
### The new process:

- A list of completed disclosures that fit the review criteria and all related information is provided to the COI Committee via Calshare (online Berkeley tool that allows for secure sharing) on a weekly basis on Monday.
- The COI Committee responds if they have objections or concerns about particular disclosures by Friday of that week (they really have through the weekend; see following).
- On the following Monday, preparation of approval letters begins. No later than that that Friday all letters are completed, signed and distributed.
- If objections or concerns are raised that can't be settled with the individual Committee member(s) who raised them, those disclosure will be added to the agenda for the next face-to-face meeting of the Committee, still held monthly.

## Positive Outcomes



Graph above shows the number of days it took in May 2016 to process expedited reviews, then moves on to show the number of days it took to process expedited reviews using the new review and approval criteria and process, which began on June 14 (there were three weekly reviews in June). This is calculated from the time the COI Office received the completed financial disclosure until the approval letter was sent (via email) to the PI, CSS RA and either the Sponsored Projects Office, the Industry Alliances Office, or Donor and Gift Services.



## Future Challenges

- » Creating an online submission portal for faculty that will be user friendly and accepted by the faculty.
- » Having that system include the ability to submit State Form 700-U.
- » Initial uploading of financial interests by faculty... for some a potential Herculean task.
- » Initiating an annual disclosure process.
- » Selling a new "system" in the current uneasy climate and getting faculty to help test and sell it!

## Resources

- <http://vcresearch.berkeley.edu/improving-research-administration/project>
- <http://researchcoi.berkeley.edu/>